



BellSouth Telecommunications, Inc.

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REGULATORY AUTH.
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OFFICE OF THE
EXECUTIVE SECRETARY

May 17, 2002

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: *Approval of the Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. and DIECA Communications, Inc. d/b/a Covad Communications Company Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996.*

Docket No. ~~00-01130~~
02-005865

Dear Mr. Waddell:

Pursuant to Section 252(e) of the Telecommunications Act of 1996, DIECA Communications, Inc. d/b/a Covad Communications Company and BellSouth Telecommunications, Inc. are hereby submitting to the Tennessee Regulatory Authority the original and thirteen copies of the attached Petition for Approval of the Amendment to the Interconnection Agreement dated December 19, 2001. The Amendment amends Attachment 1, Resale and Attachment 7, Billing and Billing Accuracy Certification.

Thank you for your attention to this matter.

Sincerely yours,

Guy M. Hicks

cc: Dhruv Khanna, Covad Communications Company
Catherine F. Boone, Covad Communications Company
Henry Walker, Esq., Boulton, Cummings

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, Tennessee

In re: *Approval of the Amendment to the Interconnection Agreement Negotiated by BellSouth Telecommunications, Inc. and DIECA Communications, Inc. d/b/a Covad Communications Company, Inc. Pursuant to Sections 251 and 252 of the Telecommunications Act of 1996*

Docket No. ~~00-01130~~ 02-00585

**PETITION FOR APPROVAL OF THE AMENDMENT TO THE
INTERCONNECTION AGREEMENT
NEGOTIATED BETWEEN BELL SOUTH TELECOMMUNICATIONS, INC.
AND DIECA COMMUNICATIONS, INC. D/B/A COVAD COMMUNICATIONS
COMPANY, INC. PURSUANT TO THE TELECOMMUNICATIONS
ACT OF 1996**

COME NOW, DIECA Communications, Inc. d/b/a Covad Communications Company, Inc. ("Covad") and BellSouth Telecommunications, Inc., ("BellSouth"), and file this request for approval of the Amendment to the Interconnection Agreement dated December 19, 2001 (the "Amendment") negotiated between the two companies pursuant to Sections 251 and 252 of the Telecommunications Act of 1996, (the "Act"). In support of their request, Covad and BellSouth state the following:

1. Covad and BellSouth have successfully negotiated an agreement for interconnection of their networks, the unbundling of specific network elements offered by BellSouth and the resale of BellSouth's telecommunications services to Covad. The Interconnection Agreement was filed with the Tennessee Regulatory Authority ("TRA") for approval on February 12, 2002.

2. The parties have recently negotiated an Amendment to the Agreement which Amends Attachment 1, Resale and Attachment 7, Billing and Billing Accuracy Certification. A copy of the Amendment is attached hereto and incorporated herein by reference.

3. Pursuant to Section 252(e) of the Telecommunications Act of 1996, Covad and BellSouth are submitting their Amendment to the TRA for its consideration and approval. The Amendment provides that either or both of the parties is authorized to submit this Amendment to the TRA for approval.

4. In accordance with Section 252(e) of the Act, the TRA is charged with approving or rejecting the negotiated Amendment between BellSouth and Covad within 90 days of its submission. The Act provides that the TRA may only reject such an agreement if it finds that the agreement or any portion of the agreement discriminates against a telecommunications carrier not a party to the agreement or the implementation of the agreement or any portion of the agreement is not consistent with the public interest, convenience and necessity.

5. Covad and BellSouth aver that the Amendment is consistent with the standards for approval.

6. Pursuant to Section 252(i) of the Act, BellSouth shall make the Agreement available upon the same terms and conditions contained therein.

Covad and BellSouth respectfully request that the TRA approve the Amendment negotiated between the parties.

This 17th day of May, 2002.

Respectfully submitted,

BELLSOUTH TELECOMMUNICATIONS, INC.

By: 

Guy M. Hicks
333 Commerce Street, Suite 2101
Nashville, Tennessee 37201-3300
(615) 214-6301
Attorney for BellSouth

**AMENDMENT TO THE
AGREEMENT BETWEEN
DIECA COMMUNICATIONS, INC.
D/B/A COVAD COMMUNICATIONS COMPANY AND
BELL SOUTH TELECOMMUNICATIONS, INC.**

Pursuant to this Amendment, (the "Amendment"), DIECA Communications, Inc. ("Covad") and BellSouth Telecommunications, Inc. ("BellSouth"), hereinafter referred to collectively as the "Parties", hereby agree to amend that certain Interconnection Agreement between the Parties dated December 19, 2001 ("Agreement").

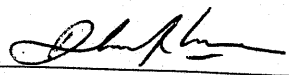
WHEREAS, BellSouth and Covad entered into the Agreement on December 19, 2001, and;

NOW THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby covenant and agree as follows:

1. Attachment 1, Resale, Section 6.7 is hereby deleted in its entirety and replaced with new Section 6.7, Deposit Policy, as set forth in Exhibit 1 attached hereto and incorporated herein by this reference.
2. Attachment 7, Billing and Billing Accuracy Certification, Section 1.9, Deposit Policy, is hereby deleted in its entirety and replaced with a new Section 1.9, Deposit Policy, as set forth in Exhibit 1 attached hereto and incorporated herein by this reference.
3. All of the other provisions of the Agreement, dated December 19, 2001, shall remain in full force and effect.
4. Either or both of the Parties are authorized to submit this Amendment to the respective state regulatory authorities for approval subject to Section 252(e) of the Federal Telecommunications Act of 1996.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their respective duly authorized representatives and shall be deemed effective the date of the last signature of both Parties.

DIECA Communications, Inc.
d/b/a/ Covad Communications Company

By: 

Name: Dhruv Khanna

Title: _____

Date: April 15, 2002

BellSouth Telecommunications, Inc.

By: 

Name: Gregory R Follenbecker

Title: Senior Director

Date: April 18, 2002

Attachment 1 – Resale

- 6.7 **Deposit Policy.** Covad shall complete the BellSouth Credit Profile and provide information to BellSouth regarding credit worthiness. Based on the results of the credit analysis, BellSouth reserves the right to secure the account with a suitable form of security deposit. Such security deposit shall take the form of cash, an Irrevocable Letter of Credit (BellSouth form), Surety Bond (BellSouth form) or, in BellSouth's sole discretion, some other form of security. The fact that a security deposit has been made in no way relieves Covad from complying with BellSouth's regulations as to advance payments. Any such security deposit shall in no way release Covad from its obligation to make complete and timely payments of its bill. Covad shall pay any applicable deposits prior to the inauguration of service. If, in the sole opinion of BellSouth, circumstances so warrant and/or gross monthly billing has increased beyond the level initially used to determine the level of security deposit, BellSouth reserves the right to request additional security and/or file a Uniform Commercial Code (UCC-1) security interest in Covad's "accounts receivables and proceeds." Interest on a security deposit, if provided in cash, shall accrue and be paid in accordance with the terms in the appropriate BellSouth tariff. Security deposits collected under this Section shall not exceed two months' estimated billing. In the event Covad fails to remit to BellSouth any deposit requested pursuant to this Section, service to Covad may be terminated, and any security deposits will be applied to Covad's account(s). In the event that Covad defaults on its account, service to Covad will be terminated and any security deposits held will be applied to its account.

Attachment 7 - Billing and Billing Accuracy Certification

- 1.9 **Deposit Policy.** Covad shall complete the BellSouth Credit Profile and provide information to BellSouth regarding credit worthiness. Based on the results of the credit analysis, BellSouth reserves the right to secure the account with a suitable form of security deposit. Such security deposit shall take the form of cash, an Irrevocable Letter of Credit (BellSouth form), Surety Bond (BellSouth form) or, in BellSouth's sole discretion, some other form of security. Any such security deposit shall in no way release Covad from its obligation to make complete and timely payments of its bill. Covad shall pay any applicable deposits prior to the inauguration of service. If, in the sole opinion of BellSouth, circumstances so warrant and/or gross monthly billing has increased beyond the level initially used to determine the level of security deposit, BellSouth reserves the right to request additional security and/or file a Uniform Commercial Code (UCC-1) security interest in Covad's "accounts receivables and proceeds." Interest on a security deposit, if provided in cash, shall accrue and be paid in accordance with the terms in the appropriate BellSouth tariff. Security deposits collected under this Section shall not exceed two months' estimated billing. In the event Covad fails to remit to BellSouth any deposit requested pursuant to this Section, service to Covad may be terminated, and any security deposits will be applied to Covad's account(s). In the event that Covad defaults on its account, service

to Covad will be terminated in accordance with Section 1.8 of this Attachment, and any security deposit held will be applied to its account.

In determining whether a security deposit is required, BellSouth will review Covad's Dun & Bradstreet rating and report details, Covad's payment history with BellSouth and payment history with others as available; the number of years Covad has been in business; Covad's management history and managers' length of service with Covad; liens, suits and judgments against Covad; UCC-1 filings against Covad's assets; and to the extent available, Covad's financial information. Upon the conclusion of this review, if BellSouth continues to insist on additional security, at Covad's written request, BellSouth will provide an explanation in writing to Covad justifying the decision for additional deposit.

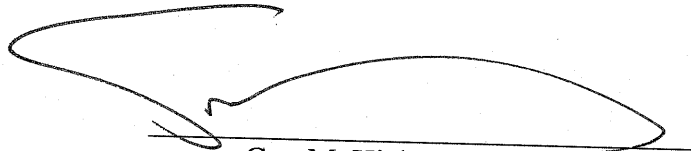
CERTIFICATE OF SERVICE

I, Guy M. Hicks, hereby certify that I have served a copy of the foregoing Petition for Approval of the Amendment to the Interconnection Agreement on the following via United States Mail on the 17th day of MAY, 2002:

Dhruv Khanna
Executive Vice President and General Counsel
Covad Communications Company
3420 Central Expressway
Santa Clara, CA 95054

Catherine F. Boone
Senior Counsel
Covad Communications Company
10 Glenlake parkway, Suite 130
Atlanta, GA 30328

Henry Walker, Esquire
Boult, Cummings, et al.
414 Union Street, #1600
Nashville, TN 37219-8062



Guy M. Hicks